

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

ASSOCIATION OF AMERICAN
UNIVERSITIES, et al.,

Plaintiffs,

v.

NATIONAL SCIENCE FOUNDATION, et al.,

Defendants.

Case No. 25-cv-11231

NOTICE REGARDING IMPLEMENTATION OF STAY

Yesterday morning, June 9, 2025, Plaintiffs' counsel received reports that Institutions of Higher Education (IHEs) attempting to submit proposals to the National Science Foundation (NSF) on Grants.gov were receiving error messages that prevented them from submitting proposals at their negotiated rates (*i.e.*, in accordance with their Negotiated Indirect Cost Rate Agreements (NICRAs). Specifically, IHEs received error messages that flagged budget items for which the requested "Indirect Costs" exceeded "15%" of "Total Direct Costs" and warned, "The following error(s) must be fixed prior to submitting the proposal."

Because these error messages were not consistent with Defendants' agreement to stay implementation of the NSF Policy Notice: Implementation of Standard 15% Indirect Cost Rate, NSF 25-034, through June 20, 2025, the undersigned contacted Defendants' counsel to request that NSF remove the error messages to allow IHEs to submit their proposals on June 9 as planned. *See* Doc. No. 50 (agreeing to stay implementation through the hearing scheduled for June 13); Doc. No. 62 at 42 n.30 (agreeing to stay implementation for an additional seven days following

the hearing). Defendants' counsel confirmed that they would investigate the issue with NSF. Later that afternoon, Defendants' counsel responded that "NSF identified a system error" which has since been "resolved." Defendants' counsel further confirmed that Grants.gov "should allow applications with NICRA rates and not generate an error message" like the one IHEs had received that morning.

Plaintiffs' counsel understand that IHEs have since been able to submit their proposals on Grants.gov at negotiated rates as contemplated by the stay agreed to by Defendants.

Dated: June 10, 2025

JENNER & BLOCK LLP

By: /s/ Lindsay C. Harrison

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Respectfully submitted,

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*Attorneys for Association of American
Universities, Association of Public and Land-
grant Universities, and American Council on
Education*

CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of June, 2025, I caused the foregoing to be electronically filed with the clerk of the court for the U.S. District Court for the District of Massachusetts, by using the CM/ECF system, which will send a notice of electronic filing to all counsel of record, a true and correct copy of the foregoing instrument and all attachments.

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